STAND. COM. REP. NO. 798

Honolulu, Hawaii

FEB 2 7 2025

S.B. No. 385 RE: S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 385 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to require condominium associations to make their governing documents available on the association's website and make them accessible to all owners, occupants, and tenants, free of charge.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS, Mortgage Bankers Association of Hawaii, and seven individuals.

Your Committee received testimony in opposition to this measure from Hawaii First Realty; Law Offices of Mark K. McKellar, LLLC; Honolulu Tower; and twelve individuals.

Your Committee finds that when a condominium unit owner requests a copy of the association's governing documents, some associations will charge a fee to provide those documents, which can create barriers for owners that want to stay informed on key condominium issues. Requiring condominium associations to make these governing documents freely available online would help increase transparency and accessibility for condominium unit owners on important information about their rights and

responsibilities. Your Committee acknowledges the testimony in opposition to this measure expressing concerns that not all condominium associations have a website where they can publish their governing documents in accordance with this measure, nor is there a compelling reason to grant non-parties access to these documents. Your Committee notes, however, that a request for a copy of the documents in electronic form is reasonable, as there would be no costs incurred to produce the copy. Amendments to this measure are therefore necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Requiring an association to provide a copy of its governing documents, as amended, to an owner or the owner's authorized agent upon request, in print or electronic form, at no additional cost to the owner or the owner's agent; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 385, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 385, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

RETT KEOHOKALOLE, Chair

The Senate Thirty-Third Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* SB385	Committee		Dat	e: 2/7 _/	125
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)		/			
FUKUNAGA, Carol (VC)	***	V			
MCKELVEY, Angus L.K.					
RICHARDS, III, Herbert M. "Tim"		V			
AWA, Brenton		V_			
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TOTAL		5	4	Ø	\mathcal{D}
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Multiple Symbols Sym					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes